



EGGLESTON
SERVICES

Mission: Creating Education, Training and Employment Opportunities

Administrative Offices:

1161 Ingleside Road Norfolk, VA 23502
Phone: (757)858-8011
Fax: (757)627-4760
TTY: (757)625-5457

TO: _____

COMPANY: NCWC

FAX: (703) 603-0656

DATE: February 9 2005

FROM: Paul Atkinson

SENDER'S PHONE #: _____ (757)858-8011 ext 302

OF PAGES (Including Cover): 3

MESSAGE:



National Council of Work Centers

8401 Old Courthouse Road
Vienna, VA 22182

February 8, 2005

Mr. Leon Wilson, Jr.
Executive Director
The Committee for Purchase From People
Who Are Blind or Severely Disabled
1421 Jefferson Davis Highway
Jefferson Plaza 2, Suite 10800
Arlington, VA 22202-3259

Dear Mr. Wilson:

I would like to express my appreciation for the opportunity to comment on the proposed rule making Docket number 2004-01-01 and the potential impact on the nonprofit agencies (NPAs) which participate in the JWOD program. Each of the 584 NCWC member agencies is unique and diverse with the single common unifying element of using the JWOD program to create job opportunities for individuals with disabilities. These comments are provided to assist the Committee for Purchase from People Who Are Blind or Severely Disabled to better understand the impact to local JWOD affiliated NPAs.

The vast majority of the NPAs represented by the NCWC are local community rehabilitation programs which offer a variety of services to individuals with disabilities within their community, as each community needs vary; similarly the mission and scope of services provided by each NPA differ. JWOD affiliated NPAs respond to a critical need which consistently reports approximately 70 percent unemployment within adults with severe disabilities. The opportunities afforded for those individuals working within the JWOD program are viewed as one of the most favorable employment outcomes for individuals with disabilities within the network of participating NPAs.

The Committee's efforts to increase the reporting requirements and mandate other governance oversight are an attempt to curtail the alleged abuses of a very small fraction of the affiliated NPAs. Most NCWC members are supportive of the Committee's intent to address the alleged abuse within small minority of producing NPAs. However, many of the proposed rules are duplicative of other federal and state oversight and the unintended consequences of such action could have a detrimental effect on existing and potential new NPAs participation in the JWOD program. Our affiliated NPAs are scrutinized by other governmental agencies with respect to services offered to individuals with disabilities. Currently, a vast majority of NPAs have a contractual relationship to provide rehabilitative and other support services to individuals with disabilities, funded in part by local, state and federal programs independent of the JWOD program. Existing IRS regulations prescribe stringent reporting requirement of nonprofit corporations. Committee requirements could be duplicative or conflict with existing or evolving IRS requirements.

Paul Atkinson, President
757-858-8011

Robert Daniels, Vice President
801-402-0950

Patricia Black, Secretary
210-599-3281

Susan Fonfa, Past President
212-727-4275

Mr. Leon Wilson, Jr.

Page 2

With respect to Board governance within NPAs, state laws differ in oversight of NPAs. In forming the non profit corporations the state of origin approve their articles of incorporation and bylaws. If the Committee's proposed rules were enacted potential conflict with state oversight could result. NPAs are concerned about using the federal employee's compensation as a benchmark with respect to executive salaries within the NPA, preferring that the Board of Directors of the agency and IRS should have the authority in setting compensation. The added burden of reporting and tracking would result in additional cost to our NPAs that currently have significant financial strain. Eventually, these costs will have to be passed on in increase costs to our customers or reduced resources to address our agencies mission.

In conclusion, the position of the NCWC executive committee is that these proposed rules are not in the best interest of the JWOD program and will not have the intended outcome the Committee is looking to achieve.

If I can provide additional information or clarification, feel free to contact me, at 757-858-8011.

Sincerely,



Paul Atkinson
President
National Council of Work Centers